

APPENDIX

EXHIBIT 11

AFFIDAVIT

STATE OF NEW YORK)
) ss.:
COUNTY OF Nassau)

THOMAS E. McDONAGH, being duly sworn, deposes and says:

1. I am a Certified Public Account, in good standing in the State of New York.

2. On October 4, 2005, I met with Audit Associates and Joseph S. Kaming, Esq., at 35 College Plaza, Selden, New York. Audit Associates and Mr. Kaming represented Metal Lathers Local 46, which, at that time, was conducting an audit review relating to questions regarding alleged underpayments to Local 46 from United States Rebar (U.S. Rebar). Audit Associates and Mr. Kaming represented the Union Funds. I represented U.S. Rebar.

3. The purpose of the meeting was to discuss and attempt to come to an agreement regarding open issues that U.S. Rebar had with prior audit results performed by Audit Associates.

4. I was challenging the merits of the auditor's methods and findings, and I communicated that I did not agree with the results thereof. Specifically, the U.S. Rebar payroll reports did not agree in some weekly payrolls with the deficiencies proposed by Audit Associates. At that point, Mr. Kaming, the Union's attorney, became indignant and gave a sweeping reason why we should accept his claim of hours worked on the whole, and that if the audit could not be imminently finalized, then a costly RICO lawsuit against the company would be forthcoming, and that I could be named in the suit as well. I immediately conveyed his threats to Charles Doherty who was, at that time, a principal of U.S. Rebar.

5. I remember Mr. Kaming's words quite clearly for the reason, among others, that this was the first (and only) time in my life that I had been threatened with a RICO lawsuit.


THOMAS E. McDONAGH

Sworn to before me this 21
day of December, 2007


Notary Public

ERICA C. LYMAN
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01LY6022411
QUALIFIED IN NASSAU COUNTY
COMMISSION EXPIRES MARCH 20, 2011